

# Community Led Local Development in Cornwall

2017 – 2022

## Call for Projects in South & East Cornwall Local Action Group Area



<b>Accountable Body</b>	<b>Cornwall Development Company</b>
<b>Funds</b>	<b>European Regional Development Fund (via Community Led Local Development)</b>
<b>Local Action Group Area</b>	<b>South and East Cornwall</b>
<b>Call Reference</b>	<b>SELAG C06 Supporting people to create new businesses in South &amp; East Cornwall</b>
<b>Date Call Open</b>	<b>Friday 19<sup>th</sup> June 2020</b>
<b>Online information session</b>	<b>10.00am Thursday 9th July</b> <a href="https://selag-support-for-potential-entrepreneurs.eventbrite.co.uk">https://selag-support-for-potential-entrepreneurs.eventbrite.co.uk</a>
<b>Deadline for submissions of Expressions of Interest</b>	<b>4.00pm 4<sup>th</sup> September 2020</b>
<b>For the Expression of Interest form, guidance and more information visit:</b>	<a href="https://communityledcornwall.co.uk/calls/selagcall/">https://communityledcornwall.co.uk/calls/selagcall/</a>

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## 1 Introduction and background to CLLD

Community Led Local Development (CLLD) is a way of funding the delivery of local development using European Regional Development Fund (ERDF) and European Social Fund (ESF) grants. The two funds form part of the European Structural and Investment Fund Programme (ESIF) Programme for the period 2014 -2020.

Cornwall has been awarded a mix of ESF and ERDF totalling £11.56m to support the delivery of the CLLD Local Development Strategies for West Cornwall, Coast to Coast, Atlantic & Moor and South & East Cornwall Local Action Group areas up until September 2022.

The call detailed in this document is issued by **South & East Cornwall Local Action Group (SELAG)**. SELAG is a partnership group of voluntary & community, private and public sector organisations and representatives, all of whom have links to the area.

Cornwall Development Company (CDC) is the Accountable Body for CLLD in Cornwall. CDC will appraise and evaluate applications on behalf of SELAG. The LAG will make the final decision on whether projects are invited to full application and ultimately whether they are approved for funding or not.

CLLD can fund a range of activities from supporting individuals with training, through to the growth of business and job creation from CLLD investment. The Programme targets the most deprived areas across Cornwall and applicants will need to demonstrate how they will engage with eligible communities and individuals.

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SELAG has developed the following call for projects that support individuals into self-employment or, at least, to have sufficient knowledge and skills ready to establish a business.

This document outlines how to apply for CLLD funding under this call.

***NB: It should be noted that the CLLD programme is continually accepting projects that help to deliver the LAG strategy and projects falling out with the scope of these calls, can apply independently – see [www.communityledcornwall.co.uk](http://www.communityledcornwall.co.uk)***

## 2 Call Timetable

In response to this call, applicants are required to submit a Stage 1 Expression of Interest and, if approved, asked to proceed to a Stage 2 Full Application Form.

Under this call, applications should be submitted according to the following timescales:

<b>Call timetable</b>	<b>Date</b>
Online information session	<b>10am Thurs 9<sup>th</sup> July 2020</b>
Deadline for submitting Expressions of Interest	<b>4pm on Friday 4<sup>th</sup> September 2020</b>
LAG decisions on Expressions of Interest	<b>SELAG meeting on 24<sup>th</sup> September 2020</b>
Deadline for submission of Full Applications	<b>By 27<sup>th</sup> November 2020</b>
LAG decisions on Full Applications	<b>February/March 2021 meetings</b>

## 3 Scope of the Call

All projects must support the delivery of specific strategic objectives set out in the South & East Cornwall Local Action Group's Local Development Strategy. A summary of the Local Development Strategy is available on the CLLD website: <https://communityledcornwall.co.uk/wp-content/uploads/2019/04/South-East-CLLD-LDS-Exec-Summary-v6.pdf>

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An online information session will be held at 10am, Thursday 9th July 2020. Use the link below for more information and to reserve your place:

<https://selag-support-for-potential-entrepreneurs.eventbrite.co.uk>

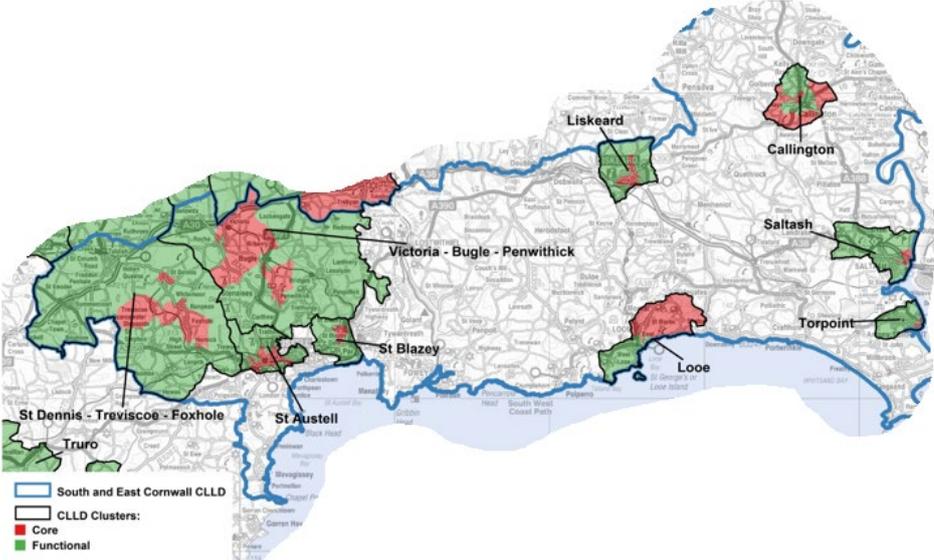
This will be an opportunity for potential applicants to learn more about the intention of the call and ask any specific questions. Questions and answers will then be posted to the CLLD website alongside the call details and documents.

### 3.1 Call: Supporting people to create new businesses in South & East Cornwall

Call Details	Support for Potential Entrepreneurs
<p><b>Call Context</b></p>	<p>The current situation with the Covid-19 pandemic is causing great concern across Cornwall with 100's of businesses and 1000's of residents facing grave scenarios. This is felt acutely across South &amp; East Cornwall, particularly in the service and retail sectors. Many local businesses are struggling to maintain staffing levels, despite the job retention scheme, and tourism businesses (as well as the tertiary businesses that serve them) are concerned that a low-income tourist season sandwiched between two winters will signal the end of their business.</p> <p>CLLD has a separate objective to support existing businesses to grow (including diversification) and create jobs. Existing businesses in eligible areas can contact CLLD about this.</p> <p>However, this call is for projects that aim to support people that wish to start a new business. This may include people who are currently employed to subsidise income as well as people who are currently unemployed or economically inactive.</p> <p>A recent review of projects, budgets and outputs has identified the need for this activity to support people in the South and East Cornwall area.</p> <p>This call aims to attract organisations that are able to deliver training for individuals that supports them to become 'enterprise ready'; it will support the individuals to decide whether self-employment is the right choice as well as developing their business for viability and longevity.</p>
<p><b>Project Themes</b></p>	<p>Projects that raise aspiration in eligible participants and recruit them to the delivery of a min of 12 hours interaction where they will learn how to become enterprise ready. We expect this activity to include the development of thorough understanding about the positives and negatives of running your own business, financial competence, business planning, supporting potential entrepreneurs to the point of start up.</p> <p>Further support for new enterprises may also be incorporated (additional min of 12 hours interaction) to provide additional input to the new entrepreneurs as they take their first steps as a self-employed individual.</p> <p>Applicants should demonstrate their understanding of the South and East Cornwall economic context and where they are linking</p>

	<p>with local organisations for engagement, support and/or legacy purposes. Evidence of innovative thinking and a clear exit strategy demonstrating the lasting impact of the project, will be required.</p> <p>It is possible that a proportion of participants will have additional training needs that may limit their ability to make the most of the pre-start up business support. This should be taken into account by applicants and consideration given to how they will address this.</p> <p>Participants may currently be employed, unemployed or inactive, but cannot already own a business.</p> <p>We are looking for:</p> <ul style="list-style-type: none"> <li>• Applicants that can demonstrate flexible delivery methodologies that have different approaches depending on the needs of the participants.</li> <li>• Linkages between the applicant and other training programmes to facilitate additional skills development for participants as appropriate.</li> </ul>
<b>Indicative Fund Allocation</b>	<p>Indicatively, the Local Action Group has allocated the following amount:</p> <p>Route to self-employment: <b>£100,000 ERDF</b></p> <p>The funding intervention rate will be a maximum of 72%.</p>
<b>Minimum Application Level</b>	<p>The minimum application level for funding is <b>£25,000</b></p> <p>All potential applicant organisations are encouraged to work with other local partners to aid engagement, generate new ideas, approaches and develop joint proposals.</p>
<b>Duration of Project Activity</b>	<p>Typically, projects should plan to deliver activity for a minimum of 6 months and can plan to deliver up to December 2022. However, the LAG reserves the right to vary the minimum and maximum durations, upwards or downwards.</p>
<b>Outputs and results</b>	<p><b>40x P11</b> Potential entrepreneurs supported</p> <p><b>ERDF Outputs:</b></p> <p>In addition, we expect that organisations may achieve some or any of the following:</p>

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	<ul style="list-style-type: none"> <li>• Number of enterprises receiving support</li> <li>• Number of new enterprises receiving support</li> </ul>
<p><b>Specific Call Requirements</b></p>	<p>This call is for projects to deliver activity for individuals residing in the CLLD target areas (see target geography below) of the South &amp; East Cornwall Local Action Group area.</p> <p>Innovation, partnership working, community engagement, value for money, sustainability and alignment with local strategic priorities will all form key parts of the assessment of applications.</p> <p>You may submit proposals that include costs relating to training activity (including training resources), but larger capital costs will not be funded as part of this call.</p> <p>Applications must include your methodology to demonstrate an ability to manage a potentially high drop-out rate while still delivering the overall target number of outputs.</p>
<p><b>Target Geography</b></p>	<p>This is the Local Action Group area for South &amp; East Cornwall, spanning from St Dennis, Treviscoe and Foxhole across to Saltash and Torpoint.</p> <p>The red and green areas are Core and Functional areas respectively.</p>  <p>CLLD activity should aim to target the Lower Super Output Areas (LSOAs) that fall within the 30% most deprived nationally. These target areas are referred to as 'Core' areas and the majority of CLLD's budget (minimum of 70%) must be spent to benefit people in these areas.</p>

	<p>Core areas are surrounded by Functional areas. These are not in the 30% most deprived but are next to the Core areas and have been included in the CLLD geography because of their links to key opportunities and to form a more coherent economic area. Up to a maximum of 30% of project participants may reside in Functional areas.</p> <p>CLLD activity should take place as close to the participants as possible to ease access to the training.</p> <p>All project activity and expenditure must benefit eligible individuals within these areas. Any work supporting people outside of these areas will not be eligible for CLLD funding.</p> <p>Your proposal should demonstrate that you will be working with at least 70% of people from Core areas and how you will achieve this.</p> <p>As the applicant, you may or may not reside in a Core area, but existing links with the targeted communities will be a benefit to this project.</p> <p>Please visit our website for more detailed maps of CLLD target areas: <a href="https://communityledcornwall.co.uk/local-action-groups/south-and-east-cornwall-lag/">https://communityledcornwall.co.uk/local-action-groups/south-and-east-cornwall-lag/</a> (scroll to bottom of page)</p>	8
<p><b>Types of suggested activity under this call (this is not an exclusive list):</b></p>	<p>Route to self-employment:</p> <ul style="list-style-type: none"> <li>• Enterprise coaching activity;</li> <li>• Nurturing new businesses through start-up support and the development of Business skills</li> <li>• More targeted local interventions to engage with those that would not normally access this type of support;</li> <li>• Projects that use innovative ways of engaging residents not normally targeted for support;</li> <li>• Activities that raise aspirations and tackle under-employment in the target area;</li> <li>• Re-engaging disadvantaged communities and connecting them with economic opportunities;</li> <li>• Expanding horizons through enterprise awareness, education and communications;</li> <li>• Promoting role models and enterprise champions;</li> <li>• Showcasing of local businesses;</li> <li>• Capacity building to enable existing community workers (and youth workers) to be 'enterprise ambassadors';</li> <li>• Linking businesses to communities through mentoring, leadership exchange;</li> <li>• Supporting those in employment who may wish to become self-employed;</li> </ul>	

	<ul style="list-style-type: none"> <li>• A supported enterprise model or new social enterprise providing 'back office' support;</li> <li>• Guidance and advice in accessing financial support;</li> <li>• Ideas generation;</li> <li>• Support to assist the development and establishment of alternative service delivery models and mutuals.</li> </ul>
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**Where it fits with the SELAG Strategy:**

**Strategic Objectives and Activities**

The Local Development Strategy is structured around Strategic Objectives and Activities as set out below. Project applicants should ensure that their proposals contribute to a least one Strategic Objective and one Activity.

<b>SELAG Strategic Objective 1:</b> Stimulating local businesses to provide local work opportunities including by making them as competitive as possible	
<b>Local Development Need</b>	We want to make more locally available employment opportunities. To do this we need to work with businesses at all levels, from start-ups to larger employers, to help them put their businesses onto stable and viable footings and from there to move into growth opportunities. Research and consultations has shown the need for a range of business support to help make this happen, including help to businesses to become employers and a range of business and skills development needs. This Strategic Objective therefore prioritises working with businesses in order to help open up more local economic opportunities
<b>Activity B</b>	Business advice and practical support.
<b>Description</b>	Small equipment, training, and other activities to enable business establishment and growth
<b>Links to other provision</b>	The delivery of enterprise activities through CLLD will be complemented by a range of business support provision and partner initiatives. As part of the enterprise research, the existing provision has been mapped to ensure that services are not duplicated, and that the proposed activities add value to the start-up offer. Examples of some of the services that will work closely with the enterprise activities include Outset (tailored start up support), Unlocking Potential (aspiring entrepreneurs), Spark (business start-up programme) and the School for Social Entrepreneurs.
<b>Call Deadline</b>	Expressions of Interest received after the published deadline of <b>4pm on 4<sup>th</sup> September 2020</b> will not be considered.

## 4 Monitoring and evaluation of outputs over the life time of the project

You will need to demonstrate how the eligible activity funded by ERDF will achieve the Local Development Strategy outputs and results.

Projects will be required to report on, and evidence, the achievement of outputs and spend.

Further guidance on outputs and results is available on the programme website or by contacting the CLLD team at [CLLD@cornwalldevelopmentcompany.co.uk](mailto:CLLD@cornwalldevelopmentcompany.co.uk). It is important that each applicant carefully reads and understands the definitions and monitoring requirements for evidencing outputs.

Projects that can demonstrate an ability to target and select from the most disadvantaged individuals and groups and the most deprived communities identified in the Local Development Strategies, will be prioritised. The Local Action Groups are also keen to consider projects that include innovative ways of delivering outcomes, particularly where they involve partnership working and collaboration, which could be assistance in forming co-operatives for example.

Projects should also consider how they will contribute to the strategy's aims as well as local outputs and impacts relevant to the project. These might include, but are not limited, to the following:

- Positive progression towards self-employment, other employment, training, volunteering or other outcomes;

Successful applicants will be required to participate in project and programme level evaluations as required by the Local Action Groups. As well as collecting core ERDF output information, project applicants and delivery partners will be required to monitor individual beneficiary progress using an agreed methodology. This will be complemented by CLLD beneficiary and leaver forms to capture important information and data that will be used to evaluate the wider impacts of the programme.

Further guidance and support on monitoring and evaluation will be provided to projects at the full application and contracting stages.

## 5 Evaluation

Applicants must fully complete the Expression of Interest which will be assessed by the Accountable Body and presented to the Local Action Group for decision. Applicants successful at this stage will be invited to make a full and detailed application.

At the Full Application stage further detail on the project proposal will be sought, and subsequently appraised by the Accountable Body before being presented to the Local Action Group for decision.

Invitations to progress to the Full Application stage do not in any way indicate or constitute an offer of a grant.

The timescales are set in the outline of this call; projects will not be considered if they miss these deadlines.

## 6 Eligibility rules

ERDF eligibility rules apply to all project expenditure, including match funding. A list of eligible and ineligible costs is available from the website, by emailing [CLLD@cornwalldevelopmentcompany.co.uk](mailto:CLLD@cornwalldevelopmentcompany.co.uk) or from the national ERDF eligibility rules.

### ERDF eligibility guidance:

[https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/696449/ESIF-GN-1-003\\_ERDF\\_Eligibility\\_Guidance\\_v8.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/696449/ESIF-GN-1-003_ERDF_Eligibility_Guidance_v8.pdf)

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If successful at the Full Application stage, applicants will enter into a Funding Agreement with the Accountable Body and must abide by the standard terms and conditions. Once a Funding Agreement has been issued it should be signed and returned within 30 days, unless agreed otherwise with the Accountable Body.

## 7 Eligible applicants

The ERDF eligibility rules set out which types of organisations are eligible to apply for European funding. These include:

- Voluntary / community organisations;
- Not for Profit organisations;
- Registered charities;
- Higher and Further Education Institutions;
- Statutory and non-statutory public funded organisations/bodies;
- Private sector organisations.

Due Diligence checks may also be undertaken at the Expression of Interest stage.

Applicants must be legally constituted both at the point of submitting an Expression of Interest and signing a Funding Agreement.

Applicants must demonstrate their ability to deliver this type of project, e.g. holding relevant professional qualifications in business/business studies or equivalent and have a track record of supporting pre-start and start-up businesses.

If the application is approved the applicant organisation will enter into a legally binding Funding Agreement and therefore will carry the liability for ensuring that the terms and conditions of the Funding Agreement are met.

If there is more than one organisation applying for the funds, a lead organisation must be selected to become the applicant (and grant recipient) with the other organisation(s) acting as delivery partner(s). In this situation the applicant would be responsible and liable for the delivery partner(s) and ensuring the project is operating compliantly. The applicant is responsible for establishing appropriate agreements with its delivery partner(s).

During the application process the Accountable Body, on behalf of the LAG, will consider the applicant's track record, both positive and negative. If the applicant has been involved in the delivery of previous grant programmes and any irregularities have been identified, the Accountable Body will expect to see what steps have been taken to ensure that the risk of further irregularities in the future is mitigated. It is acknowledged that some organisations will be new to European funding and will not have a track record.

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## 8 Intervention rate and match funding

ERDF investment must not be used to replace existing funding sources or duplicate activity.

European funding must enable activity to take place that would not otherwise happen or to increase the scope, scale or intensity of activity.

- The maximum ERDF intervention rate is 72% of the total eligible project costs.

Where state aid does apply, the intervention rate may be lower than this.

For all outputs except C1 Enterprise Supported and C5 New Enterprise Supported it is expected there will be no state aid.

The funding awarded will be the minimum in order for the project to proceed.

The remaining funds must come from other eligible non-European sources, which may include:

- Other public funding;

- Community foundations and trusts;
- Lottery distributors;
- Voluntary and community sector sources;
- Private sector contributions.

During the application and appraisal process applicants will need to satisfy the Accountable Body and LAG that they have, or are able to put in place, eligible match funding for the balance of costs.

ERDF is typically paid **quarterly in arrears** and expenditure must be defrayed prior to the submission of any grant claims to the Accountable Body. Applicants will be asked to demonstrate how they are able to cash flow the project. By exception projects can be considered for monthly claims in arrears, however, this must be requested and evidence of need for this arrangement provided.

## 9 Project timescales

Applicants should plan to deliver activity for a minimum of 6 months (e.g. for pilot projects) up to December 2022. However, the Local Action Group reserves the right to vary the minimum and maximum durations, upwards or downwards.

Expressions of Interest approved through this call for projects will normally be expected to:

- Submit a detailed and complete Full Application by the deadline given if formally selected at Expression of Interest stage. Projects which fail to meet this deadline will be deselected;
- Commence delivery (defraying ERDF/ESF eligible costs) as soon as is practically possible and within three months of formal approval as a maximum. Projects which fail to meet this deadline may be deselected, and
- Complete their project activities by December 2022.

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## 10 Cross cutting themes – Equal opportunities and sustainable development

The Local Development Strategies are each supported by 3 key cross-cutting themes as follows:

- Demonstrating **sustainability**, with projects having at least a neutral, and preferably a positive environmental impact. They must also demonstrate that they can deliver a sustainable business model which will reduce the need for continued public support beyond the lifetime of the programme, as well as a lasting legacy post-completion.
- Actively promote and implement **equal opportunities**, demonstrating a positive equalities impact. All projects supported must take account of their impact on people with protected characteristics.

- Embed **innovation** in project design and delivery, for example at business level new services and working practices, and at community level social innovations that seek new solutions to social issues. In this way innovation will help achieve a community legacy.

All applications selected as a result of this call will be required to demonstrate at the Full Application stage how the Cross Cutting Themes will be addressed in the project design, development and implementation. The LAG's CLLD policies for equal opportunities and sustainable development are available on the programme website.

Further information and good practice material is available here:

[https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/592338/ESF\\_cross\\_cutting\\_themes\\_guidance\\_sustainable\\_development-and-equality.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/592338/ESF_cross_cutting_themes_guidance_sustainable_development-and-equality.pdf)

## 11 Partnership working, additionality and value for money

Additionality is a core principle of European funding. Applicants must be able to demonstrate that the activity paid for by European funding adds value to new or existing activity and contributes to local and domestic priorities.

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European funding cannot support activities that duplicate existing provision or services within the CLLD area. Applications will need to identify and evidence how the participants will access and use the service and demonstrate that the project will not displace other activity available locally.

The Local Action Groups are keen to consider projects that include innovative ways of delivering outcomes, particularly where they involve partnership working and collaboration, which could include assistance in forming co-operatives for example.

## 12 State aid and revenue generation

State Aid is the use of state funding or resources to support businesses (or commercial undertakings). The decisive factor in determining whether an organisation is an undertaking is not the nature of the entity itself, but the nature of the activities it carries out. If it carries out an economic activity, selling goods or services on a market, it is an undertaking.

In order to ensure that all activities supported through CLLD are lawful, State Aid will be initially assessed by the Accountable Body at the Expression of Interest stage. If clarification on State Aid is required, this will be requested from the project applicant at the Full Application stage. All applicants must

satisfy themselves that State Aid regulations are complied with and consider taking legal advice.

### 13 Procurement regulations

Project costs must be procured in line with National (including Public Procurement Regulation 2015) and European Union regulations.

Procurement will be subject to audit and verification and any irregularity will result in a financial penalty of up to 100% of the grant paid. Robust and transparent procurement is required to ensure that grant recipients:

- Consider value for money;
- Maximise efficient use of public money;
- Maintain competitiveness and fairness across the European Union.

It is strongly recommended that applicants review their own procurement procedures to ensure they are in line with National ESIF Procurement requirements.

[https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/592852/ESIF-GN-1-001\\_ESIF\\_National\\_Procurement\\_Requirements\\_v5.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/592852/ESIF-GN-1-001_ESIF_National_Procurement_Requirements_v5.pdf)

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### 14 Key documents and guidance materials

The following key documents and guidance are available from the CLLD website <https://communityledcornwall.co.uk/calls/selagcall/> and by emailing the team:

1. Expression of Interest Form
2. Expression of Interest Form Guidance
3. CLLD Handbook
4. Finding the Core Neighbourhoods

### 15 Document checklist

Incomplete applications will be rejected. Please ensure the following information is submitted:

#### Expression of Interest Stage:

- Fully completed Expression of Interest Form

## 16 Further information and support

An online information session will be held at 10am, Thursday 9th July 2020; book a space here: <https://selag-support-for-potential-entrepreneurs.eventbrite.co.uk>

This will be an opportunity for potential applicants to learn more about the intention of the call and ask any specific questions. Questions and answers will then be posted to the CLLD website alongside the call details and documents.

For further information and project development support, including sign-posting to match funding advice and opportunities, please email [CLLD@cornwalldevelopmentcompany.co.uk](mailto:CLLD@cornwalldevelopmentcompany.co.uk)

If clarification is required on any aspect of this document, please email [CLLD@cornwalldevelopmentcompany.co.uk](mailto:CLLD@cornwalldevelopmentcompany.co.uk). All clarifications will be posted on the calls page on the website: <https://communityledcornwall.co.uk/calls/selagcall/>

## 17 Document submission

Completed Expressions of Interest must be submitted via **email** to:

[CLLD@cornwalldevelopmentcompany.co.uk](mailto:CLLD@cornwalldevelopmentcompany.co.uk)

Expressions of Interest not received by the call closure deadline of **4pm** on **4<sup>th</sup> September 2020** will not be assessed. Expressions of Interest which are not fully completed by this date will also be excluded.

*(JT 04/06/2020)*